

FISCAL NOTE

SB 2843 - HB 2548

January 28, 2000

SUMMARY OF BILL: Creates the *Biobased Products Developing a Strategic Agricultural Infrastructure and Rural Economic Opportunities Act of 2000*. Creates a competitive grants program administered by the Department of Agriculture to solicit projects that develop data concerning the benefits of biobased products, agricultural biomass, bast fiber crops, and industrial utilization to rural economies in Tennessee. Requires the Department of Agriculture to develop application procedures and offer competitive grants at the discretion, and under the supervision of the Commissioner of Agriculture. Funds appropriated for this grant program are to be utilized for projects to include but not be limited to, the development of hands-on demonstration and field trips; and other similar projects. Provides grants are available to private businesses, research institutions, universities and non-profit organizations operating with their base of operations in Tennessee. Grants shall be available through a competitive selection process. The competitive grant program shall be structured as to not require an expenditure in any fiscal year in which the program is in operation in excess of \$100,000. Requires that no later than July 1, 2001 and at two-year intervals thereafter, the Department of Agriculture shall report to the General Assembly relative to the progress of the grant program. The Commissioner of Agriculture is authorized to promulgate appropriate rules and regulations. The competitive grants program shall cease to exist on July 1, 2005.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$100,000

Bill restricts expenditures for the program to \$100,000 annually. Estimate assumes \$100,000 restriction applies to total administrative expenses and grant funds.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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